

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

FOR: HEALTH CARE FINANCING ADMINISTRATION

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

1. TRANSMITTAL NUMBER:
02-013

2. STATE
Alaska

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE
SOCIAL SECURITY ACT (MEDICAID)

4. PROPOSED EFFECTIVE DATE
October 1, 2002

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN

☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN

☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:
42 CFR 440

7. FEDERAL BUDGET IMPACT:

a. FFY 03 \$ 0

b. FFY 04 \$ 0

NOTE: No federal fiscal impact is anticipated as reimbursement for telemedicine applications will be substantially less than the cost of patient travel to a consult with specialists.

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:
Attached page to Attachment 3.1A page 12

Attachment 4.19B, page 12 (PFI)

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable):

None (PFI)

Attachment 4.19B, page 12 (PFI)

10. SUBJECT OF AMENDMENT:

Addition of policy outlining payment for telemedicine applications.

11. GOVERNOR'S REVIEW (Check One):

☐ GOVERNOR'S OFFICE REPORTED NO COMMENT

☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☒ OTHER, AS SPECIFIED:

Did not wish to comment.

12. SIGNATURE OF STATE AGENCY OFFICIAL:



13. TYPED NAME:

Bob Labbe

14. TITLE:

Director

15. DATE SUBMITTED:

16. RETURN TO:

Alaska (02-013)
approval: 05/05/03
effective: 10/01/02

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: DEC 20 2002

18. DATE APPROVED: MAY - 5 2003

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

OCT - 1 2002

20. SIGNATURE OF REGIONAL OFFICIAL:

151

21. TYPED NAME:

Karen S. O'Connor

22. TITLE:

Associate Regional Administrator

23. REMARKS:

PFI changes authorized by the state on 5/12/03.
Division of Medicaid & Children's Health

RECEIVED: 12/18/02
Juncos
(CITY/STATE)

**Methods and Standards for
Establishing Payment Rates: Other Types of Care**

Telemedicine Applications

Payment for services delivered via telemedicine is made according to the Medicaid payment methodology for the service and provider type. Reimbursement is made for a telemedicine application if the service is:

1. an initial visit;
2. a follow-up visit;
3. a consultation made to confirm a diagnosis;
4. a diagnosis, therapeutic referrals/orders, or interpretive service;
5. a psychiatric or substance abuse assessment; or
6. psychotherapy or pharmacological management services on an individual recipient basis

Separate reimbursement is not made for the use of technological equipment and systems associated with a telemedicine application to render the service.

Vision Care Services

Reimbursement is made at the lesser of billed charges, the Resource Based Relative Value Scale methodology used for physicians, the provider's lowest charge, or the state maximum allowable for procedures that do not have an established RVU. The state awards a competitive-bid contract for eyeglasses.

Description of Service Limitations

Telemedicine Applications

Telemedicine is defined as the practice of health care delivery, evaluation, diagnosis, consultation or treatment, using the transfer of medical data, audio, visual or data communications that are performed over two or more locations between providers who are physically separated from the patient or from each other. Telemedicine applications may only be provided using live interactive, store and forward, or self-monitoring or testing methods of telemedicine delivery; live interactive does not include telephone conversations, electronic mail messages, or facsimile transmissions.

All healthcare providers rendering Medicaid covered services not specifically excluded may deliver appropriate covered services via telemedicine. Services specifically excluded from telemedicine delivery are:

- Home and community-based waiver services,
- Pharmacy services for prescribed drugs,
- Durable medical equipment supplies and services,
- Transportation services including ambulance services,
- Accommodation services,
- End-Stage Renal Disease services,
- Direct-entry midwife services,
- Private-duty nursing services,
- Personal care attendant services,
- Visual care, dispensing, or optician services